

February 29, 2016

TO THE GOVERNOR AND MEMBERS OF THE GENERAL ASSEMBLY:

In accordance with the provisions of the Public Act 88-0404, the Business Assistance and Regulatory Reform Act (Act), the Illinois Department of Commerce and Economic Opportunity (Department of Commerce) respectfully submits its First Stop Business Information Center (First Stop) annual report. As directed by the Act, Department of Commerce through its Entrepreneurship, Innovation, and Technology office oversees First Stop, a statewide resource for new and existing business owners. The goal is to enhance the state's business climate by making it easier for entities to comply with government requirements and gain access to information they need to be competitive.

This annual report reflects the 2015 achievements of First Stop, a resource for improving the small business climate by effectively and successfully working with entrepreneurs, small businesses and prospective business owners. With a staff dedicated to providing comprehensive information on topics ranging from business start-up, financing, legislative and regulatory mandates to local demographics, marketing and international trade, this year builds on a rich history of success.

First Stop is an essential part of Department of Commerce's Entrepreneurship, Innovation, and Technology office and is the point-of-contact for entrepreneurs and small business owners interested in the services provided by the Illinois Small Business Development Centers (SBDCs), Illinois Procurement Technical Assistance Centers (PTACs), the SBDC International Trade Centers (ITC) and the Small Business Environmental Assistance Program (SBEAP).

Herein is the 2015 report. Please contact my office if you have any questions.

All the best,

James M Schutz

Jim Schultz Director

FIRST STOP BUSINESS INFORMATION CENTER SERVICES

The cornerstone to the success of the First Stop Business Information Center is its personnel and their commitment to providing professional, comprehensive customer service. Listed below are First Stop's primary services.

- <u>Business Specialists</u>: The core of First Stop's services is the professionals that handle the thousands of inquiries that come in via the toll-free business help line, e-mail, standard mail and walk-ins. When a business encounters difficulty with the state regulatory process, the business specialist facilitates communication between small businesses and State agencies. First Stop's staff provides expert guidance in linking pre-business ventures and existing business owners to federal, state and local government resources. Business specialists help dispel the common perception that government is inaccessible to small businesses.
- <u>Toll-Free Call Center</u>: Calls into First Stop via the toll-free number are handled by highly trained business representatives. The call center receives a high percentage of requests for basic information as well as mail fulfillment regarding the business startup kits. A large number of these calls are referred to the Illinois Small Business Development Center Network where clients can arrange an appointment to meet for professional one-on-one business counseling, assistance in developing business plans, exporting assistance and government contracting opportunities. Requests for in-depth assistance, advocacy and research are seamlessly forwarded to the business specialists who have the expertise to thoroughly assist the client.
- <u>Hispanic Outreach</u>: As an outreach effort to educate prospective entrepreneurs in Illinois' growing Hispanic population, First Stop has converted its most popular publications, such as the <u>Starting Your Business in Illinois</u> handbook into Spanish. For over fifteen years First Stop has had a bilingual business representative available to serve its Spanish-speaking clients.
- <u>Oracle Service Cloud</u>: In order to better serve its clients First Stop uses Oracle Service Cloud to house its comprehensive database of more than 500 business related questions and answers. This system allows entrepreneurs and small business owners to access the same business permit, license, certification and business assistance program information as our call center on a self-serve basis at: www.ilsbdc.biz/faq/.
- <u>Illinois Small Business Development Center (SBDC) Network Locator</u>: Entrepreneurs, that enter their city or zip code, are connected to their nearest Illinois SBDC network member by using this system.
- Regulatory Flexibility Program: The "Reg Flex" staff examines proposed rules and regulations affecting the small business community and through impact analyses recommends ways of making the rules more flexible, cost effective or less restrictive for small business. The Regulatory Flexibility Program's 2015 activities are included on page 5 of this report.
- <u>Electronic Monthly Newsletter:</u> The monthly **"Connection"** newsletter helps businesses keep up-to-date on the latest happenings with regard to rules and regulations, business requirements, upcoming events and training. The staff solicits input on rules during the first notice period and works with state agencies to minimize the impact of those rules on small businesses.

FIRST STOP BUSINESS INFORMATION CENTER PUBLICATIONS

First Stop's publications are an integral part of the services provided to customers. The number and variety of publications has grown through the years reflecting customers demand for information.

- <u>Starting Your Business in Illinois handbook</u>: This 42-page booklet is the core of the business startup kit First Stop distributes. It features answers to basic questions and issues facing new business ventures. It includes a business feasibility checklist, a business plan outline, listings of essential government agencies, and other useful information. The handbook is the most downloaded document offered on our web site www.ilsbdc.biz/handbook and more than 10,000 hard-copies are distributed annually. It is also available in Spanish.
- <u>Business Management Guides</u>: Through a partnership with New Ground Publications, First Stop and the Illinois SBDC have made 16 management guides available via Department of Commerce's web site. These management guides are available in Spanish also:
 - A Simple Guide to Your Company's Financial Statements
 - The Small Business Owner's Guide To Financial Control
 - Understanding Commercial Lending: The Question and Answer Guide
 - A Simple Guide To Your Small Business Marketing Plan
 - The Small Business Report Card: Is Your Business Making The Grade?
 - Buying & Selling A Small Business
 - The Plan: A Step-By-Step Business Plan Workbook
 - The Small Business Owner's Guide to Buying Commercial Real Estate
- Restaurant Start-up Profile: This 46-page booklet is a combined effort by the Illinois Institute for Rural Affairs at Western Illinois University and the Illinois Department of Commerce. It is a resource to facilitate startup or help existing restaurant owners operate more profitably. It is also available in Spanish.
- <u>Grocery/Convenience Store Profile</u>: This 38-page booklet is a combined effort by the Illinois Institute for Rural Affairs at Western Illinois University and the Illinois Department of Commerce. It is a resource to facilitate startup or help existing store owners operate more profitably.
- <u>Winery Profile</u>: This 67-page booklet is a combined effort by Illinois Small Business Development Center at Southern Illinois University, Illinois Grape and Wine Resources Council and First Stop. This profile complements the State's current efforts to increase a growing industry in Illinois and to boost tourism.
- <u>Proposal Writing Guide</u>: To meet the demand from individuals interested in starting a nonprofit organization but not knowing where turn to, First Stop offers this 52-page booklet to help nonprofit community program developers and planners with the basic elements and concepts in planning and preparing written proposals for project funding.

FIRST STOP BUSINESS INFORMATION CENTER CLIENT ASSISTANCE PERFORMANCE

Below are numerical measures of the First Stop Business Information Center's 2015 performance.

Type of Inquiries Handled:	CY2015
 General Business Inquiries and Miscellaneous Cases Licensing and Registration Cases Small Business Job Creation Tax Credit Business Startup, Planning, Counseling and Training Sources of Financing Cases Government Contracting Cases Not-For-Profits Organization International Trade Cases 	1,850 1,259 4,120 454 354 64 40 14
Total Number of First Stop Clients Served	8,155
Clients Referred to a Specific Illinois SBDC Network Partner for Assistance:	517 34 5
How Clients Reached First Stop:	
 Toll Free Help Line Calls Internet and Email Inquiries US Mail / Written Inquiries Walk-ins 	2,770 5,273 89 23
Total Client Activity	8,155

FIRST STOP BUSINESS INFORMATION CENTER CUSTOMER SERVICE

As in the private sector, the leading edge goes to the organization that provides exceptional customer service. First Stop surveys its clients to determine their satisfaction on key areas including: professionalism, promptness, knowledge, courtesy, value, and saving time and money. Business specialists follow up with any respondent who is less than satisfied with the service they receive. First Stop's recent survey results are consistent with past years.

Percent of customers surveyed indicating
 First Stop saved them time and/or money
 (124 out of 142 total responses)

87%

 Percent of customers surveyed indicating a high degree of satisfaction with products and services (1,228 out of 1,352 total responses)

91%

How can we improve our service? Here are some of First Stop's customer comments.

(For privacy, respondents' names are withheld)

"The service that was provided was amazing and very helpful, I was responded to in less than 24hrs overall all needs were met"- KBS#150422-000005

"I think the service worked perfect for my situation." – KBS#150115-000009

"I can't think of any improvements the young lady that helped me was more than friendly and very knowledgeable." — KBS#150312-000003

"Sonia was absolutely fantastic. I don't think there was a single thing she could have done better." –KBS#150217-000003

"It appears this program is meeting the needs of those seeking assistance for their businesses." – KBS#150307-000004

"I was so happy to find this program and I want to thank Lynette. She was so helpful and kind. She was able to provide me with all the information I needed & answered all my crazy question" — KBS#150330-000022

"The service I received was prompt, courteous, thorough and informative. I'm not aware of any way it could be improved. Thank you!" – KBS#150710-000007

"Services great, I received a response back in a timely matter and your staff that assisted me was very knowledgeable. Thank you" – KBS#151028-000002

"The service is great as is." -KBS#150827-000042

FIRST STOP BUSINESS INFORMATION CENTER REGULATORY RELIEF AND BUSINESS RESOURCES ACTIVITIES

In addition to clients assisted with various regulatory assistance requests, First Stop also pro-actively reached out to small businesses through the Regulatory Flexibility Program. Better known as Reg Flex, this program calls for the Department of Commerce to serve as a regulatory watchdog for small businesses. Its web address is: www.ilsmallbiz.biz/regflex.

Helping Illinois' small businesses bring their concerns to the administrative rulemaking process and requiring agencies to consider the prospective impact of proposed regulation on small entities is the role of Reg Flex. Reg Flex continues to advocate against the disproportionate burden of regulations on small businesses.

In 2015 the Office reviewed proposed rulemakings and submitted comments to the Joint Committee on Administrative Rules in an effort to reduce the financial burden and compliance requirements on small business. Through these efforts, as well as implementing a new online form to register regulatory complaints, the Office works to save small businesses money in regulatory and compliance costs.

Additionally, the Office publishes a monthly newsletter. This newsletter contains the latest on state and federal regulations, news from the resource partners that make up the network, as well as the Small Business Administration and the Internal Revenue Service, information on upcoming conferences, seminars or training, and other news and changes to help Illinois' small businesses compete. Utilizing Constant Contact, the newsletter is sent to over 2,000 businesses, chambers of commerce, trade groups and associations. In November 2015 the Office of Regulatory Flexibility celebrated the seventh anniversary of its monthly "Connection" newsletter.

In 2015, the Office of Regulatory Flexibility accomplished the following:

- 343 Proposed State Regulations were reviewed.
- 61 Small Business Impact Analyses for consideration by JCAR were conducted.

Through Reg Flex, businesses have a venue to file a formal complaint regarding an onerous rule or regulation. Businesses can question whether there is a need for the rule, the complexity of the rule, the extent to which the rule duplicates or conflicts with federal regulations. Businesses are able to file the complaint online, and the Reg Flex staff will determine what can be done to offer relief regarding the proposed regulation. Reg Flex's online complaint form can be found at: www.ilsmallbiz.biz/regflex.

STRATEGIC FUTURE

The First Stop Business Information Center will continue working with small businesses, providing regulatory compliance assistance and helping businesses navigate government bureaucracy and red tape.

First Stop is committed to the vision of making regulatory information and business assistance easily accessible to every entrepreneur and small business in Illinois.

In accordance with the provisions of Civil Administrative Code 20 ILCS 605/605-1007, the Illinois Department of Commerce is required to create and maintain a website to assist individuals wishing to create new businesses or relocate businesses to Illinois. In 2016, First Stop will focus its efforts on helping launch this website. This project, known as the State of Illinois' One Stop Business Permitting Portal, will facilitate First Stop's mission of removing obstacles to business growth by making the government regulatory process less burdensome and easier to navigate.

It is our hope over the next year that Illinois' small business community will experience a dynamic upgrade in its ability to access regulatory information and business assistance. It is our goal to prominently display a link to the One Stop Business Permitting Portal on the Department of Commerce's homepage. Our staff will work with liaisons from all state agencies to ensure that the One Stop Business Portal content is accurate, up-to-date, and replete. Eventually we will focus on the inclusion of federal and local regulatory and business related information.

The Regulatory Flexibility program will continue its "pro-active" approach to the administrative rulemaking process by contacting agencies during the earliest stages of the process and seeking increased industry input.

It is also our hope that program marketing will intensify by reaching out to regulatory agencies and partnering with them to visibly display a link to the One Stop Business Permitting Portal on their websites. In doing so, we will reach a broader audience ensuring that more small business owners utilize the vast small business resources and services offered by our office, network partners, and the entire State of Illinois.

For questions or comments regarding this report or First Stop's programs and services, contact Darryl Thomas, Manager of the First Stop Business Information Center, at 217.785.6190.